



A STUDY ON CUSTOMER AWARENESS AND SATISFACTION TOWARDS INTERNET BANKING WITH SPECIAL REFERENCE TO BHAVANI TALUK, ERODE DISTRICT, TAMILNADU.

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ABSTRACT:

Banks in India play a crucial role in the financial sector of the country. They raise deposits from the public, offer loans and advances to industry and commercial establishments, responsible for the flow of credit, offer priority sector loans, take care of the working capital requirements of the medium and small enterprises, provide housing and educational loans and offer a host of other financial services. With the liberalization of the economy and entry of new large scale private sector banks, and the foreign banks establishing branches in India, the entire scenario has perceptibly changed. Suddenly, they have been forced to function in the buyers' market. The customers started demanding good quality of service from the banks. The introduction of information technology worldwide has further forced these banks to adapt themselves to the needs of the customers. Bank oriented service got changed into customer oriented service. Objectives of the study are set, hypotheses have been framed and tested. Meaningful findings and conclusions are arrived at. Suggestions to further improve internet banking have also been offered.

KEY WORDS: Customer awareness, Internet banking, Online banking

INTRODUCTION:

Internet banking is the term used for new age banking system. Internet banking is also called as online banking and it is an outgrowth of PC banking. Internet banking uses the internet as the delivery channel by which to conduct banking activity, for example,

transferring funds, paying bills, viewing checking and savings account balances, paying mortgages and purchasing financial instruments and certificates of deposits (Haque et al, 2009). Internet banking is a result of explored possibility to use internet application in one of the various domains of commerce. It is difficult to infer whether the internet tool has been applied for convenience of bankers or for the customers' convenience. But ultimately it contributes in increasing the efficiency of the banking operation as well providing more convenience to customers. Without even interacting with the bankers, customers transact from one corner of the country to another corner.

OBJECTIVES OF THE STUDY:

1. To find out the demographic profile of respondents.
2. To analyze the level of awareness of the respondents towards internet banking.
3. To assess the level of satisfaction of the respondents towards internet banking.
4. To offer suitable suggestions for creating awareness and satisfaction among customers.

RESEARCH METHODOLOGY

SAMPLING DESIGN

The study aims at analyzing the customers' level of awareness towards internet banking, a total of 110 samples were taken for the study. Convenient sampling method has been used to collect the data.

STATISTICAL TOOLS USED:

1. Percentage analysis.
2. ANOVA.

HYPOTHESIS:

1. "There is no significant association between age groups of respondents and level of awareness"
2. "There is no significant relationship between monthly of respondents and their level of satisfaction",

LIMITATIONS OF THE STUDY:

1. The sample size limited to 110 respondents only.
2. The study is confined to Bhavani Taluk only.

DATA ANALYSIS AND INTERPRETATION:

TABLE 1
GENDER OF THE RESPONDENTS

Gender	No of respondents	Percentage
Male	64	58.2%
Female	46	41.8%
Total	110	100

Source: Primary Data

Majority (58.2%) of the respondents are male.

TABLE 2
MARITAL STATUS OF RESPONDENT

Marital status	No .of respondents	Percentage
Married	47	43.1%
Unmarried	62	56.9%
Total	110	100

Source: primary Data

Majority (56.9%) of the respondents are belonging to unmarried category.

TABLE 3
AGE OF THE RESPONDENTS

Age	No. of respondents	Percentage
Below 20	21	19.1%
21-30	44	40%
30-40	32	29.1%
40-50	10	9.1%
Above 50	3	2.7%
Total	110	100%

Source: primary Data

Majority (40%) of the respondents are coming under the age group of 21 to 30 years.

TABLE 4
PRESENT STATUS OF RESPONDENTS

Status	No .of respondents	Percentage
Home maker	27	24.5%
Business	61	55.5%
Profession	19	17.3%
Employed	3	2.7%
Total	110	100

Source: primary Data

Majority (55.5%) of the respondents are doing Business.

TABLE 5
MONTHLY INCOME OF THE RESPONDENTS

Monthly Income	No. of respondents	Percentage
Below 20000	25	22.7%
20000 - 30000	38	34.5%
30000 - 40000	35	31.8%
Above 40000	12	10.9%
Total	110	100

Source: primary Data

Majority (34.5%) of the respondents have monthly income between 20000 to 30000.

TABLE 6
SERVICES PREFERRED BY THE RESPONDENTS

Type of products	No. of Respondents	Percentage
Access to Account Information	20	18%
Financial Transactions	11	10%
Investments	26	23.4%
Bill payment	18	16.2%
Fund transfer	36	32.7%
Total	110	100

Source: primary Data

Majority (32.7%) of the respondents prefer fund transfer.

Hypothesis:

There is no significant association between age group and level awareness towards Internet Banking services.

TABLE 7**AGE AND LEVEL OF AWARENESS****(Two Way Table)**

AGE	LEVEL OF AWARENESS			TOTAL
	HIGH	MEDIUM	LOW	
Below 20	11	6	4	21
21-30	23	13	8	44
30-40	25	5	2	32
40-50	6	2	2	10
Above 50	1	1	1	3
Total	66	27	17	110

Source: primary Data

TABLE 8**AGE AND LEVEL OF AWARENESS****(ANOVA TEST)**

SOURCES	SUM OF SQUARES	DF	MEAN SQUARE	F	F. CRT
Between Groups	268.133	2	134.067	2.867	3.89.
Within Groups	561.200	12	46.767		
Total	829.333	14			

Source: Calculated result from primary Data

The table 11 shows that the calculated value of F is < F Critical value (at 5% level of significance). The hypothesis is accepted. Hence it is concluded that there is no significant association between age and level of awareness.

Hypothesis:

There is no significant association between monthly income and level of satisfaction towards Internet Banking services.

TABLE 9

MONTHLY INCOME AND LEVEL OF SATISFACTION

(Two Way Table)

MONTHLY INCOME	LEVEL OF SATISFACTION			TOTAL
	HIGHLY SATISFIED	SATISFIED	DIS SATISFIED	
Below 20000	15	5	5	25
20000 - 30000	20	10	8	38
30000 - 40000	21	9	5	35
Above 40000	7	3	2	12
Total	63	27	20	110

Source: primary Data

TABLE 10

MONTHLY INCOME AND LEVEL OF SATISFACTION

(ANOVA TEST)

SOURCES	SUM OF SQUARES	DF	MEAN SQUARE	F	F .CRT
Between Groups	266.167	2	133.083	6.903	4.86
Within Groups	173.500	9	19.278		
Total	439.667	11			

The table 13 shows that the calculated value of F is > F Critical value (at 5% level of significance). The hypothesis is rejected. Hence it is concluded that there is significant association between monthly income and level of satisfaction towards Internet Banking services.

FINDINGS:

- Majority (58.2%) of the respondents are male.
- Majority (56.9%) of the respondents are belonging to unmarried category.
- Majority (40%) of the respondents are coming under the age group of 21 to 30 years.
- Majority (55.5%) of the respondents are doing Business.
- Majority (34.5%) of the respondents have monthly income between 20000 to 30000.
- Majority (32.7%) of the respondents prefer fund transfer.

SUGGESTIONS:

1. Awareness about internet banking services must be created among the customers by conducting seminars and various promotional strategies by the banks.
2. Use social media for targeting wider audiences and make them aware of the internet banking service provided
3. Promotion of internet banking services should be done through newspapers, advertisements, magazines, journals etc.
4. software should be updated in such a way that the complaints like network failure can be minimized.
5. the facility of the stop payment, rectification of wrong payment etc. may also be extended to Internet Banking.

CONCLUSION:

The research report is based on primary data. According to the study, the researcher concludes that the most of the bank customers are aware about internet banking services in Bhavani taluk, Erode District of Tamilnadu. The banks further have to take necessary steps to educate the customers regarding the new technology and other services offered by the banks. Banks may extend customer meeting time with bank officials and also friendly approach is necessary. Definitely it will help to retain the existing customers and to attract new customers. It will automatically improve the banking service and development of banks in India and also in abroad.

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